

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A

W-02740A
Antelope Lakes Water Company
501 North Highway 89
P. O. Box 450
Chino Valley AZ 863230000

RECEIVED

APR 22 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) ANTELOPE LAKES WATER COMPANY INC.

Mailing Address 2465 W. Shane Drive

(Street)

Prescott

(City)

AZ

(State)

86305

(Zip)

928-717-2616

Telephone No. (Include Area Code)

928-717-2621

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address same as above

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: PAUL D. LEVIE

(Name)

PRESIDENT

(Title)

2465 W. Shane Drive

(Street)

Prescott

(City)

AZ

(State)

86305

(Zip)

928-717-2616

Telephone No. (Include Area Code)

928-717-2621

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: PAUL D. LEVIE

(Name)

2465 W. Shane Drive
(Street)

Prescott
(City)

AZ
(State)

86305
(Zip)

928-717-2616
Telephone No. (Include Area Code)

928-717-2621
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Paul D. Levie

(Name)

2465 W. Shane Drive
(Street)

Prescott
(City)

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☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME **ANTELOPE LAKES WATER COMPANY INC.**

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$ 3,383.56	\$ 2,986.63	\$ 2,396.93
302	Franchises	\$ 500.00	\$ 125.00	\$ 375.00
303	Land and Land Rights	\$20,000.00	\$ 0.00	\$20,000.00
304	Structures and Improvements	N/A	N/A	N/A
307	Wells and Springs	\$34,267.30	\$ 8,535.31	\$25,731.99
311	Pumping Equipment	\$11,326.77	\$ 2,425.55	\$ 8,901.22
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	\$ 5,555.00	\$ 2,188.21	\$ 3,366.79
331	Transmission and Distribution Mains	\$10,665.00	\$ 4,310.44	\$ 6,354.56
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	\$85,697.63	\$18,571.14	\$67,126.49

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$ 3,383.56	5%	\$ 169.18
302	Franchises	\$ 500.00	5%	\$ 25.00
303	Land and Land Rights	\$20,000.00		\$ 0.00
304	Structures and Improvements			
307	Wells and Springs	\$34,267.30	5%	\$1,713.37
311	Pumping Equipment	\$11,326.77	5%	\$ 566.34
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	\$ 5,555.00	5%	\$ 277.75
331	Transmission and Distribution Mains	\$10,665.00	5%	\$ 533.25
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	\$85,697.63		\$3,284.89

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,504.67	\$ 493.38
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ (541.37)	\$ (529.25)
146	Notes/Receivables from Associated Companies	\$ 33,000.00	\$ 33,000.00
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 33,963.30	\$ 32,964.13
	FIXED ASSETS		
101	Utility Plant in Service	\$ 54,860.13	\$ 61,236.15
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	\$ 15,286.25	\$ 18,571.14
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 70,146.38	\$ 79,807.29
	TOTAL ASSETS	\$ 104,109.68	\$ 112,771.42

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 9,925.00	\$ 18,498.32
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	106.08	106.08
236	Accrued Taxes	(4.41)	30.30
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 10,026.67	\$ 18,634.70
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 43,075.00	\$ 43,075.00
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 53,101.67	\$ 61,709.70
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 49,577.00	\$ 49,577.00
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	1,431.01	1,484.72
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 51,008.01	\$ 51,061.72
	TOTAL LIABILITIES AND CAPITAL	\$104,109.68	\$112,771.42

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 252.38	\$ 681.68
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 252.38	\$ 681.68
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	511.46	375.48
618	Chemicals		
620	Repairs and Maintenance	62.84	
621	Office Supplies and Expense	294.50	26.65
630	Outside Services		316.00
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		45.00
675	Miscellaneous Expense	75.00	150.00
403	Depreciation Expense	3,271.61	3,284.89
408	Taxes Other Than Income		
408.11	Property Taxes	30.94	42.68
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 4,246.35	\$ 4,240.70
	OPERATING INCOME/(LOSS)	\$ (3,993.97)	\$ (3,559.02)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 1.30	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	(351.05)	
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ (349.75)	\$
	NET INCOME/(LOSS)	\$ (4,343.72)	\$ (3,559.02)

COMPANY NAME **ANTELOPE LAKES WATER COMPANY INC**

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	3/15/96	12/16/96		
Source of Loan	Note	Note		
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 54,000.00	\$ 10,000.00	\$	\$
Amount Outstanding	\$ 32,400.00	\$ 10,000.00	\$	\$
Date of Maturity				
Interest Rate	1% above prime %	1% above prime %	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 0.00

Meter Deposits Refunded During the Test Year \$ 0.00

COMPANY NAME ANTELOPE LAKES WATER COMPANY INC.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
552692	Not in Service			7"	305"	1994
50514	3HP			7"		1983

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

COMPANY NAME ANTELOPE LAKES WATER COMPANY INC.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	PVC	1040
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	2
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

1-10X12 Well house, concrete floor

OTHER:

COMPANY NAME: ANTELOPE LAKES WATER COMPANY INC.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	2		
FEBRUARY	2	38,430	
MARCH	2		
APRIL	2	12,280	
MAY	2	6,620	
JUNE	2	8,110	
JULY	2	4,910	
AUGUST	2	7,220	
SEPTEMBER	2	10,240	
OCTOBER	2	3,750	
NOVEMBER	2	7,710	
DECEMBER	2	2,480	
TOTAL			145,850

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. Unknown mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME ANTELOPE LAKES WATER COMPANY INC YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 42.68

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME ANTELOPE LAKES WATER COMPANY INC. YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported To be determined
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported To be determined
Estimated or Actual State Tax Liability _____


Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4-19-5

DATE

PAUL D. LEVIE

PRINTED NAME

PRESIDENT

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>PAUL D. LEVIE</u>
COMPANY NAME
<u>ANTELOPE LAKES WATER COMPANY INC</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 508.16

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 14.78
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
(928) 717-2616

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

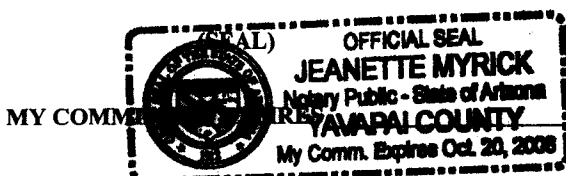
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

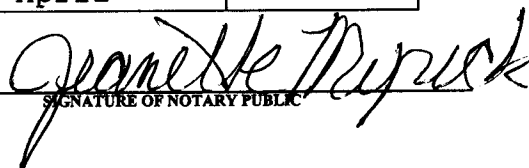
THIS

20th

DAY OF

COUNTY NAME	
<u>Yavapai</u>	
MONTH <u>April</u>	<u>2005</u>





SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Paul D. Levie	TITLE President
COMPANY NAME ANTELOPE LAKES WATER COMPANY INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 508.16
--

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 14.78
IN SALES TAXES BILLED, OR COLLECTED)**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

(928) 717-2616

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

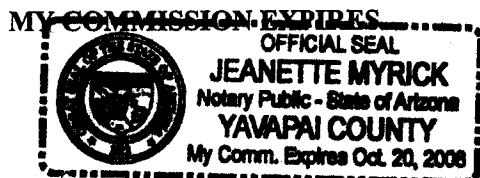
THIS

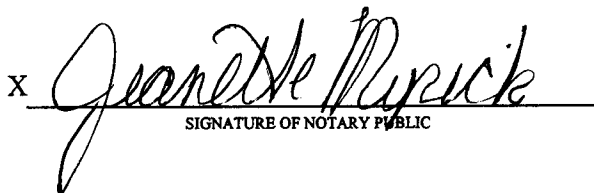
20th

DAY OF

NOTARY PUBLIC NAME Jeanette Myrick	
COUNTY NAME Yavapai	
MONTH April	2005

(SEAL)



X 
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

Antelope Lakes Water Co., Inc.
Balance Sheet
As of December 31, 2004

	<u>Dec 31, 04</u>
ASSETS	
Current Assets	
Checking/Savings	
131.00 · Stockman's Bank	493.38
Total Checking/Savings	493.38
Accounts Receivable	
141.02 · Note Receivable CMII	3,000.00
Total Accounts Receivable	3,000.00
Total Current Assets	3,493.38
Fixed Assets	
108.00 · Accum. Deprec & Amort of Utilit	-15,286.25
301.00 · Organization	4,029.47
302.00 · Franchises	750.00
303.00 · Land & Land Rights	20,000.00
307.00 · Wells & Springs	34,267.30
311.00 · Pumping Equipment	11,326.77
330.00 · Distribution Reservoirs & Stand	5,555.00
331.00 · Transmission & Distribution Mai	10,665.00
341.00 · Transportation Equipment	
341.01 · 2000 Dodge 1 Ton Pickup	8,500.00
Total 341.00 · Transportation Equipment	8,500.00
Total Fixed Assets	79,807.29
Other Assets	
141.00 · Customer Accounts Receivable	-529.25
150 · Due from PDL	30,000.00
Total Other Assets	29,470.75
TOTAL ASSETS	112,771.42
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · *Accounts Payable	73.32
Total Accounts Payable	73.32
Other Current Liabilities	
232.00 · Notes Payable/PDL	-675.00
232.04 · Notes pay - LFLP	10,600.00
232.05 · Loan-Paul D. & Rae Levie Trust	8,500.00
235.00 · Customer Deposits	106.08
236.00 · Accrued Taxes	
236.02 · Accrued Taxes-Sales	-14.78
236.00 · Accrued Taxes - Other	45.08
Total 236.00 · Accrued Taxes	30.30
Total Other Current Liabilities	18,561.38
Total Current Liabilities	18,634.70
Long Term Liabilities	
224.01 · Levie Antelope Lakes Dev. Corp.	43,075.00
Total Long Term Liabilities	43,075.00
Total Liabilities	61,709.70

9:10 AM

04/14/05

Accrual Basis

Antelope Lakes Water Co., Inc.

Balance Sheet

As of December 31, 2004

	<u>Dec 31, 04</u>
Equity	
201.00 · Common Stock Issued	49,577.00
3900 · Retained Earnings	1,758.85
Net Income	-274.13
Total Equity	<u>51,061.72</u>
TOTAL LIABILITIES & EQUITY	<u><u>112,771.42</u></u>

9:14 AM
04/14/05
Accrual Basis

Antelope Lakes Water Co., Inc.
Profit & Loss
January through December 2004

	<u>Jan - Dec 04</u>
Ordinary Income/Expense	
Income	
461.00 · Metered Water Revenue	681.68
Total Income	<u>681.68</u>
Expense	
615.00 · Purchased Power	375.48
621.00 · Office Expense	26.65
630.00 · Contractual Services	316.00
665.00 · Regulatory Commission Expense	45.00
676.00 · Licenses & Permits	150.00
681.00 · Property Tax	42.68
Total Expense	<u>955.81</u>
Net Ordinary Income	<u>-274.13</u>
Net Income	<u><u>-274.13</u></u>

9:14 AM

04/14/05

Accrual Basis

Antelope Lakes Water Co., Inc.**Balance Sheet****As of December 31, 2004**

	<u>Dec 31, 04</u>
ASSETS	
Current Assets	
Checking/Savings	
131.00 · Stockman's Bank	493.38
Total Checking/Savings	493.38
Accounts Receivable	
141.02 · Note Receivable CMII	3,000.00
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Total Current Assets	3,493.38
Fixed Assets	
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301.00 · Organization	4,029.47
302.00 · Franchises	750.00
303.00 · Land & Land Rights	20,000.00
307.00 · Wells & Springs	34,267.30
311.00 · Pumping Equipment	11,326.77
330.00 · Distribution Reservoirs & Stand	5,555.00
331.00 · Transmission & Distribution Mai	10,665.00
341.00 · Transportation Equipment	
341.01 · 2000 Dodge 1 Ton Pickup	8,500.00
Total 341.00 · Transportation Equipment	8,500.00
Total Fixed Assets	79,807.29
Other Assets	
141.00 · Customer Accounts Receivable	-529.25
150 · Due from PDL	30,000.00
Total Other Assets	29,470.75
TOTAL ASSETS	<u>112,771.42</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · *Accounts Payable	73.32
Total Accounts Payable	73.32
Other Current Liabilities	
232.00 · Notes Payable/PDL	-675.00
232.04 · Notes pay - LFLP	10,600.00
232.05 · Loan-Paul D. & Rae Levie Trust	8,500.00
235.00 · Customer Deposits	106.08
236.00 · Accrued Taxes	
236.02 · Accrued Taxes-Sales	-14.78
236.00 · Accrued Taxes - Other	45.08
Total 236.00 · Accrued Taxes	30.30
Total Other Current Liabilities	18,561.38
Total Current Liabilities	18,634.70
Long Term Liabilities	
224.01 · Levie Antelope Lakes Dev. Corp.	43,075.00
Total Long Term Liabilities	43,075.00
Total Liabilities	61,709.70

9:14 AM
04/14/05
Accrual Basis

Antelope Lakes Water Co., Inc.
Balance Sheet
As of December 31, 2004

	<u>Dec 31, 04</u>
Equity	
201.00 · Common Stock Issued	49,577.00
3900 · Retained Earnings	1,758.85
Net Income	-274.13
Total Equity	<u>51,061.72</u>
TOTAL LIABILITIES & EQUITY	<u><u>112,771.42</u></u>

9:11 AM
04/14/05
Accrual Basis

Antelope Lakes Water Co., Inc.
Profit & Loss
January through December 2004

	<u>Jan - Dec 04</u>
Ordinary Income/Expense	
Income	
461.00 · Metered Water Revenue	681.68
Total Income	<u>681.68</u>
Expense	
615.00 · Purchased Power	375.48
621.00 · Office Expense	26.65
630.00 · Contractual Services	316.00
665.00 · Regulatory Commission Expense	45.00
676.00 · Licenses & Permits	150.00
681.00 · Property Tax	42.68
Total Expense	<u>955.81</u>
Net Ordinary Income	<u>-274.13</u>
Net Income	<u><u>-274.13</u></u>

Antelope Lakes Water Co., Inc.
Statement of Cash Flows
 January through December 2004

	<u>Jan - Dec 04</u>
OPERATING ACTIVITIES	
Net Income	-274.13
Adjustments to reconcile Net Income to net cash provided by operations:	
2000 · *Accounts Payable	73.32
232.05 · Loan-Paul D. & Rae Levie Trust	8,500.00
236.00 · Accrued Taxes:236.02 · Accrued Taxes-Sales	34.71
Net cash provided by Operating Activities	<u>8,333.90</u>
INVESTING ACTIVITIES	
301.00 · Organization	-645.91
302.00 · Franchises	-250.00
341.00 · Transportation Equipment:341.01 · 2000 Dodge 1 Ton Pl...	-8,500.00
141.00 · Customer Accounts Receivable	-12.12
Net cash provided by Investing Activities	<u>-9,408.03</u>
Net cash increase for period	-1,074.13
Cash at beginning of period	<u>1,567.51</u>
Cash at end of period	<u><u>493.38</u></u>

3/29/2005
15:25

ANTELOPE LAKES WATER CO.
Federal ID #:
Asset Summary - Federal Tax Basis
Period Ended 12/31/04

Company: ALW
Page: 1

<u>Num</u>	<u>Loc</u>	<u>Property Description</u>	<u>Acquired</u>	<u>T</u>	<u>Method</u>	<u>Life</u>	<u>Cost/Basis</u>	<u>179 Exp/AFD</u>	<u>Add SDA</u>	<u>Prior Depr.</u>	<u>Current Depr.</u>	<u>Ending Depr.</u>
Group # 1 Organizations												
1	1	Organizational Costs	08/15/96	M	SL	20	500.00	0.00	0.00	240.73	25.00	265.73
2	1	Other Organizational	01/01/00	N	SL	20	2,883.56	0.00	0.00	576.72	144.18	720.90
Group # 1 Total							<u>3,383.56</u>	<u>0.00</u>	<u>0.00</u>	<u>817.45</u>	<u>169.18</u>	<u>986.63</u>
Group # 2 Franchises												
1	1	Original Fee	01/01/00	N	SL	20	500.00	0.00	0.00	100.00	25.00	125.00
Group # 2 Total							<u>500.00</u>	<u>0.00</u>	<u>0.00</u>	<u>100.00</u>	<u>25.00</u>	<u>125.00</u>
Group # 3 Land and Land Rights												
1	1	Land	11/30/96	R			20,000.00	0.00	0.00	0.00	0.00	0.00
Group # 3 Total							<u>20,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Group # 4 Wells and Springs												
1	1	Well	07/15/96	N	SL	20	13,667.30	0.00	0.00	5,125.27	683.37	5,808.64
2	1	Settlement Well	08/16/01	N	SL	20	10,000.00	0.00	0.00	1,166.67	500.00	1,666.67
3	1	Well	01/01/03	N	SL	20	10,600.00	0.00	0.00	530.00	530.00	1,060.00
Group # 4 Total							<u>34,267.30</u>	<u>0.00</u>	<u>0.00</u>	<u>6,821.94</u>	<u>1,713.37</u>	<u>8,535.31</u>
Group # 5 Pumping Equipment												
1	1	Pumping Equipment	11/15/96	N	SL	20	2,500.00	0.00	0.00	895.83	125.00	1,020.83
2	1	Press Tank	08/22/01	N	SL	20	8,029.77	0.00	0.00	936.81	401.49	1,338.30
3	1	Pressure Tank	05/13/03	N	SL	20	797.00	0.00	0.00	26.57	39.85	66.42
Group # 5 Total							<u>11,326.77</u>	<u>0.00</u>	<u>0.00</u>	<u>1,859.21</u>	<u>566.34</u>	<u>2,425.55</u>
Group # 7 Dist. Reservoirs & Stdps												
1	1	Moore & Associates	12/11/96	N	SL	20	1,000.00	0.00	0.00	354.17	50.00	404.17
2	1	MOORE & ASSOCIATE	03/10/97	N	SL	20	4,555.00	0.00	0.00	1,556.29	227.75	1,784.04
Group # 7 Total							<u>5,555.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,910.46</u>	<u>277.75</u>	<u>2,188.21</u>
Group # 8 Transmission & Dist. Main												
1	1	Moore & Associates	11/30/96	N	SL	20	10,665.00	0.00	0.00	3,777.19	533.25	4,310.44
Group # 8 Total							<u>10,665.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,777.19</u>	<u>533.25</u>	<u>4,310.44</u>
Grand Total							<u>85,697.63</u>	<u>0.00</u>	<u>0.00</u>	<u>15,286.25</u>	<u>3,284.89</u>	<u>18,571.14</u>

August 3, 2004

There is no system ID# issued to Antelope Lakes Water Co.

There is only two customers and according to Anthony Bode of ADEQ, 602/771-4648 we are not required to have one since we only have two customers.

This is realized after a phone conversation today around 1p.m.